REMARKS

Claim 1 has been amended to substantially incorporate the subject matter recited in original claim 3. New claim 12 recites substantially the subject matter recited in original claim 5. New claims 13-18 depend from claim 12 and recite substantially the subject matter recited in original claims 2-4 and 6-9.

Claims 1-2 and 10-11 have been rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 5,838,777 to Chang et al. (Chang). Claims 3-9 have been rejected under 35 U.S.C. § 103(a) as being unpatentable over Chang in view of U.S. Patent 6,373,934 to Jensen (Jensen). Claims 10 and 11 have been canceled, thereby obviating the rejection of this claim. Claim 3 has been canceled and the subject matter recited therein has been incorporated into claim 1. Applicant respectfully traverses these rejections with respect to the remaining claims.

Examiner admits that Chang does not teach or suggest memorization device that is "operable to memorize communication times of incoming calls by determining time elapsed between two line state changes for each incoming call," as required by amended claim 1 (originally recited in canceled claim 3). Additionally, the Examiner admits that Chang does not teach or suggest memorization device that is "operable to memorize communication times of outgoing calls by determining time elapsed between two line state changes for each outgoing calls," as required by new claim 12 (originally recited in original claim 5).

To cure these deficiencies, the Examiner turns to Jensen. As previously stated in the Amendment filed on December 13, 2004, Jensen relates to a telephone exchange monitoring device for providing a call detail records at subscriber premises. Contrary to the Examiner's assertion, Jensen is not even remotely related to a telephone. Applicant respectfully submits that the Examiner cannot use hindsight gleaned from the present invention to reconstruct or modify the prior art reference to render claims unpatentable, particularly when his reconstruction contradicts the clear teaching of the reference. In fact, Jensen clearly describes that the telephone monitoring system is part of the telephone exchange. The Examiner cannot reconstruct the prior art reference such that it contradicts the clear teaching of the reference.

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Yet, the Examiner ignores the clear teaching of the Jensen reference and insists that Jensen teaches a telephone comprising the memorization device as required in claims 1 and 12. Applicant kindly requests the Examiner to specifically identify the portion of the reference that supports his view that Jensen teaches a telephone comprising a memorization device, as claimed in claims 1 and 12. It is well established that the Examiner cannot use hindsight gleaned from the present invention to modify or reconstruct the prior art reference to render claims unpatentable.

Of course, to establish a prima facie case of obviousness, three basic criteria must be met. First there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991); MPEP 2143. However, the claimed combination cannot change the principle of the operation of the reference or render the reference inoperable for its intended purpose. (MPEP § 2143.01 citing In re Gordon, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984) and In re Ratti, 270 F.2d 810, 123 USPQ 349 (CCPA 1959)).

Additionally, the claimed invention defined by apparatus claims 1 and 12 eliminates the shortcomings and disadvantages encountered with the prior art. Specifically, the claimed invention allows a telephone (and not a telephone monitoring system coupled to a telephone exchange) to accurately memorize and indicate data relating to incoming and/or outgoing calls (i.e., elapsed time) when several telephones are connected to a single telephone line. It is undeniable that Chang or Jensen individually or in combination therewith is not even remotely concern with the problem of a telephone accurately memorizing and indicating data relating to incoming and/or outgoing calls including elapsed time when several telephones are connected to a single telephone line. Since applicant has recognized a problem not addressed by the cited prior art and solved that problem in a manner not

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suggested by Chang or Jensen, the basis for patentability of the claims is established. See In re Wright, 6 U.S.P.Q. 2d, 1959, 1961-1962 (Fed. Cir. 1988). There, the CAFC relied upon previous decisions requiring a consideration of the problem facing the inventor in reversing the Examiner's rejection. "The problem solved by the invention is always relevant". Id. at 1962. See also, In re Rinehart, 189 U.S.P.Q. 143, 149 (CCPA 1967), which stated that the particular problem facing the inventor must be considered in determining obviousness.

Absent evidence that the specific problem of a telephone accurately memorizing and indicating data relating to incoming and/or outgoing calls including elapsed time when several telephones are connected to a single telephone line was even recognized by the prior art, there can be no finding that the invention as a whole would have been obvious. As stated by the PTO Board of Appeals in Ex parte Breidt and Lefevre, 161 U.S.P.Q. 767, 768 (1968), "an inventive contribution can reside as well in the recognition of a problem as in a solution". It further appears that the conclusion reached by the Board of Appeals in Ex parte Minks, 169 U.S.P.Q. 120 (1969), is here in point. There, the Board concluded that "[a]ppellant having discovered the source of the problem and solved the same . . . he is... entitled to patent protection". Id. at 121.

Additionally, the Examiner has failed to establish a prima facie case of obviousness because 1) the combination of Chang and Jensen does not teach or suggest all of the claim limitations; and 2) there is no motivation in Chang and Jensen that the teaching of these two references should be combined.

In summary, the Examiner has failed to establish a prima facie case of obviousness because 1) Chang or Jensen individually or in combination does not teach or suggest implementing the monitoring device directly in the telephone as required in independent claims 1 and 12; 2) there is no motivation or suggestion in Jensen to support the Examiner's hindsight reconstruction of Jensen; and 3) there is no motivation in Chang and Jensen that the teaching of these two references should be combined. Accordingly, applicant respectfully requests the allowance of pending claims 1, 4-9 and 12-18.

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A check for \$450.00 is enclosed to cover the Petition for Extension of Time, however, should the check be missing or is insufficient, the Commissioner is hereby authorized to charge any payment or credit any overpayment to our Deposit Account No. 50-0624, under Order No. GRYN 204 (10109100) from which the undersigned is authorized to draw.

Respectfully submitted,

By

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